

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

May 20, 2011

TO: Honorable Steve Ogden, Chair, Senate Committee on Finance

FROM: John S O'Brien, Director, Legislative Budget Board

IN RE: HJR109 by Orr (proposing a constitutional amendment to clarify references to the permanent school fund, to allow the General Land Office to distribute revenue derived from permanent school fund land or other properties to the available school fund, and to provide for an increase in the market value of the permanent school fund for the purpose of allowing increased distributions from the available school fund.), **Committee Report 2nd House, Substituted**

No fiscal implication to the State is anticipated, other than the cost of publication.

The cost to the state for publication of the resolution is \$105,495.

The resolution would propose a constitutional amendment to clarify references to the Permanent School Fund (PSF) in the Texas Constitution.

The resolution would propose amending Article VII, Section 5 (a)(1) of the Texas Constitution to include the discretionary real assets investments and cash in the state treasury derived from property belonging to the fund in the PSF market value calculation.

The resolution would propose adding Subsection (g) to Article VII, Section 5 of the Texas Constitution to allow the General Land Office (GLO) to distribute revenue derived from PSF land or properties to the Available School Fund (ASF). The distribution could not exceed \$300 million per year.

The resolution would require that the amendment to the Texas Constitution be submitted to voters at an election on November 8, 2011.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 701 Central Education Agency

LBB Staff: JOB, KK, SD